

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Provision of Directory Listing Information)	
Under the Communication Act of 1934,)	
As Amended)	CC Docket No. 99-273
)	
The Use of N11 Codes and Other Abbreviated)	
Dialing Arrangements)	CC Docket No. 92-105
)	
Administration of the North American)	
Numbering Plan)	CC Docket No. 92-237

**NATIONAL TELECOMMUNICATIONS COOPERATIVE ASSOCIATION
INITIAL COMMENTS**

The National Telecommunications Cooperative Association (NTCA)¹ hereby files its comments in response to the Federal Communications Commission's (Commission's or FCC's) Notice of Proposed Rulemaking (NPRM) in the above-captioned proceeding.² There is no need to impose additional regulatory burdens on rural incumbent local exchange carriers (ILECs) associated with the provision of directory assistance (DA) service. Competition in the directory assistance market has matured to the point where competitors have unfettered access to provide competing DA services to consumers. Further regulatory intervention in the directory assistance market is unnecessary and unwarranted.

¹ NTCA is a non-profit corporation established in 1954 and represents 550 rate-of-return regulated rural telecommunications companies. NTCA members are full service telecommunications carriers providing local, wireless, cable, Internet, satellite and long distance services to their communities. All NTCA members are small carriers that are defined as "rural telephone companies" in the Communications Act of 1934, as amended (Act). They are dedicated to providing competitive modern telecommunications services and ensuring the economic future of their rural communities.

² *In the Matter Provision of Directory Listing Information Under the Communications Act of 1934, As Amended*, CC Docket No. 99-273, *The Use of N11 Codes and Other Abbreviated Dialing Arrangements*, CC

I. THE RETAIL DIRECTORY ASSISTANCE MARKET IS HIGHLY COMPETITIVE AND REQUIRES NO FURTHER REGULATORY INTERVENTION

Consumers today have an abundance of competitive DA options to choose from based on price and service. The lack of DA presubscription or the elimination of the 411 dialing code sequence has not prevented the DA market from evolving into a highly competitive marketplace. Consumers can easily access competing DA services by using the Internet, 800 numbers, 900 numbers, calling cards, and wireless solutions. To the extent that a consumer is unsatisfied with an ILEC's directory assistance service, nothing prevents the consumer from using any of the many available DA alternatives. The number of Internet cites that offer **free** access to telephone numbers is tremendous and includes www.anywho.com, www.altavista.com, www.bigbook.com, www.people.yahoo.com, www.switchboard.com, www.whowhere.lycos.com, and www.worldpages.com, to name a few.³

Requiring DA presubscription in an already competitive directory assistance market makes no sense and will only impose additional costs and burdens on ILECs and consumers. Presubscription would require switch vendors to develop switch software to handle three presubscribed interexchange carriers (PICs), i.e., intraLATA, interLATA, and directory assistance. ILECs would have to purchase the switch software to provide the service. Billing system vendors would have to develop software to handle three PICs. And, ILECs would have to survey their customers to determine which DA provider they wished to select and make the appropriate switch and billing system entries. For rural

Docket No. 92-105, *Administration of the North American Numbering Plan*, CC Docket No. 92-237, FCC 01-384 (rel. Jan. 9, 2002)(NPRM).

³ For a more detailed list of free directory assistance Internet cites, see <http://www.tollchaser.com/information/directoryassistance.html>.

ILECs these costs would be substantial. For non-rural ILECs, such as US West (now Qwest), the estimated cost of DA presubscription for its region would require an incremental investment of 20.8 million with an annual recurring network maintenance expense of \$1.2 million.⁴ GTE (now Verizon) estimates that the cost of DA presubscription would total over \$310 million.⁵ All of which would be paid by ILECs at the outset of DA presubscription implementation and then recovered from consumers for a service they can currently receive for free on the Internet. The Commission simply should not impose needless costs on ILECs and consumers for a service they neither want nor need.

Moreover, ILECs are currently struggling to meet the requirements associated with upgrading their networks to make them Communications Assistance for Law Enforcement Act (CALEA), local number portability (LNP), and 1000-block pooling compliant. These upgrades are necessary for national security and number resource management. They provide consumers with the benefits of monitoring possible criminal activity in their communities and ensuring a continuous supply of telephone numbers to meet their needs. And, consumers may not otherwise receive these benefits without regulatory intervention. Conversely, DA presubscription fails to provide any significant benefits that consumers cannot already receive in the existing directory assistance market. The Commission therefore should not impose additional and unnecessary regulatory burdens on ILECs for DA services that are readily available and plentiful in the current directory assistance market.

⁴ NPRM at ¶ 31.

⁵ *Id.*

Furthermore, wireline ILECs do not have exclusive control over the 411 dialing code sequence.⁶ Wireless carriers also use the same 411 dialing sequence to provide their customers with directory assistance service. Nothing in the NPRM, however, suggests that any of the proposed regulatory requirements and costs associated with DA presubscription or the elimination of 411 dialing would also be imposed on wireless carriers. Imposing DA presubscription or 411 elimination solely on wireline ILECs, and not wireless competitors, would violate the principles of regulatory parity and competitive neutrality.

Lastly, the Commission has already acknowledged the existence of a significant wholesale market for the provision of directory assistance service.⁷ It has concluded that ILECs should not be required to provide DA to competing carriers as an unbundled network element.⁸ Given the significant level of competition in the retail DA market, the

⁶ NPRM at ¶15.

⁷ *UNE Remand Order*, 15 FCC Rcd at 3891 and 3894.

⁸ *Id.*

Commission should also conclude the retail directory assistance market is sufficiently open to competition and render further regulatory intervention unnecessary.

Respectfully submitted,

NATIONAL TELECOMMUNICATIONS
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CERTIFICATE OF SERVICE

I, Gail C. Malloy, certify that a copy of the foregoing Initial Comments of the National Telecommunications Cooperative Association in CC Docket No. 99-273, CC Docket No. 92-105, CC Docket No. 92-237, FCC 01-384 was served on this 1st of April 2002 by first-class, U.S. Mail, postage prepaid, to the following persons.

/s/ Gail C. Malloy

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